

Old Age, Disability, Death

First law: 1965.

Current law: 1991.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 1028 cedi.

Coverage

Employed persons. Self-employed persons have option to join. Voluntary affiliation for persons covered under previous discontinued program. Special system for members and officers of the armed forces.

Source of Funds

Insured person: 5% of earnings. Self-employed, 17.5% of income.

Employer: 12.5% of payroll.

Government: None.

Qualifying Conditions

Old-age benefit: Age 60 (55-59 with reduction, unless work is in underground mine, steel mill, or other hazardous employment) with minimum contribution of 240 months.

Old-age grant payable to workers who lack sufficient contributions for old-age pension.

Disability benefit: Permanent incapacity for any gainful employment; 12 months contributions within last 36 months.

Survivor benefit: Death of insured person before age 72.

Old-Age Benefits

Old-age benefit: Minimum pension, 50% of average annual salary for 3 highest years' earnings; increased by 1.5 percentage points for each 12 months of contribution beyond 240 months. Maximum pension, 80% of average earnings of members with earnings in the top 5 percent. Workers may take 25% of pension as a lump sum. Old-age grant for non-qualifying contributors: Lump sum equal to refund of contributions plus interest equal to 50% of prevailing government treasury rate.

Permanent Disability Benefits

Disability benefit: Same as old-age benefit.

Survivor Benefits

Survivor benefit (payable to nominated dependents): If deceased was pensioner, lump sum benefit computed on present value of unexpired pension up to age 72. If deceased with 240 months of contribution was not a pensioner, a lump sum benefit is payable equal to present value of 12 years' pension; if deceased had less than 240 months contribution and was not a pensioner, lump sum benefit equal to present value of 12 years' pension based on 50 percent of the average of the best 3 years salary. (*Present value* of pension computed using prevailing real rate of interest.)

Administrative Organization

Ministry of Finance and Economic Planning, general supervision. Social Security and National Insurance Trust, administration of programs through tripartite management board.

Sickness and Maternity

Sickness and Maternity Benefits

No statutory benefits. Employers provide medical care for employees and dependents through collective agreements.

Work Injury

First law: 1940.

Current law: 1987.

Type of program: Employer liability/compulsory insurance with private carrier.

Coverage

Employed persons.

(Earnings ceiling has been abolished.)

Source of Funds

Insured person: None.

Employer: Whole cost, through direct provision of benefits or insurance premiums.

Government: None.

Qualifying Conditions

Work-injury benefits: Minimum qualifying period is 6 months.

Temporary Disability Benefits

Temporary disability benefit: Periodic payment of difference in earnings before accident and actual or potential earnings after accident. Payable after 5-day waiting period for up to 24 months at the discretion of the Chief Labour Officer.

Permanent Disability Benefits

Permanent disability benefit: Lump sum of 96 months' earnings at time of injury, if totally disabled.

Constant-attendance supplement: 25% of total disability benefit.

Partial disability: Smaller lump-sum amounts, according to schedule in law.

Workers' Medical Benefits

Medical benefits: Medical, surgical, hospital, and nursing care; medicines and appliance expenses up to specified amounts.

Survivor Benefits

Survivor benefit: Lump sum of 60 months' earnings at time of injury. Payable to dependents of deceased; reduced amounts if only partial dependents survive.

Administrative Organization

Labor Department, Ministry of Mobilization and Social Welfare, enforcement of law.

Employers may insure liability with private insurance companies.

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